

June 5, 2009

Dear Superintendent:

As you know, the Mississippi Legislature adjourned the 2009 Regular Session on June 3 after failing to reach a Fiscal Year 2010 budget agreement. I expect negotiations to continue between legislative conferees as they try to write a new budget that covers all functions of government – including education – and I am prepared to issue a call for a Special Session within 24 hours of a prudent, responsible budget agreement being reached.

In the meantime, it's important that you know the truth about education funding, as it directly affects you, your employees, your communities, and the state as a whole.

As Governor, I have repeatedly said education is the number one economic development issue and the number one quality of life issue. On my watch, state funding for K-12 education has risen by 27.9 percent, or \$548.9 million, since FY 2004. I am proud of this record.

Of course, it's easy to increase state support for education when times are good. The real challenge comes now that state revenue collections are more than \$300 below expectations in the current fiscal year, with bleaker prospects in FY 2010.

Let me be clear: My commitment to education has not wavered. My budget recommendation for school year 2009-2010 will result in K-12 schools receiving nearly \$200 million more than they have ever received in any fiscal year in Mississippi's history. In other words, I'm advocating a 7.3 percent increase over the previous highest year's funding and a 10.6 increase over the funding public education actually received last year.

Although I have recommended funding the Mississippi Adequate Education Program at 99.5 percent of its FY 2009 appropriated level, my budget calls for increasing the amount of money for MAEP base student cost by 1.6 percent over FY 2009 appropriated levels, in accordance with federal stimulus guidelines. By combining state and stimulus funds, my budget adheres to the statutory purpose of MAEP by enabling school districts to meet at least a successful Level III rating by the State Board of Education. Plus, the federal stimulus

funds are fungible and will allow maximum flexibility in education spending.

I believe our public schools can meet the goal of MAEP in FY 2010 with this combination of state funds and the infusion of highly flexible, one-time federal stimulus funding.

My modified FY 2010 Executive Budget Recommendation includes almost \$2.5 billion for public education. If you combine this number with the dollars in the federal stimulus package, the total increases to almost \$2.7 billion.

My budget recommends that public education receive \$200 million more than ever before – even when virtually every other component of state government will likely take a 7 percent cut.

Yet, leaders in the House of Representatives have demanded an additional \$47 million on top of the historically-high amount of education funding I have proposed. In two statements issued today, House leaders injected shrill political rhetoric into the debate, which is unfortunate and poor budgeting policy.

At a time when state revenue collections are in decline and other agencies are forced to make severe cuts, it is imprudent and unrealistic to impose even more painful cuts to other agencies on whose services people depend – just so we can spend well over the amount of unprecedented education funding my budget calls for.

While education is absolutely vital, it's not the only need in state services. As your Governor, I have a responsibility to make sure the budget is balanced and that critical areas of government, like law enforcement, social services, and healthcare, also remain available for our people. I continue to take this responsibility very seriously.

These are difficult budget times for our families and our state. This isn't "business as usual. Our challenge is to provide leadership, not score easy political points. I'm prepared to uphold my end of the bargain by doing what's right – even if it means making tough choices that aren't politically popular ... and I call on the Legislature to do the same.

Over the past few months the federal government has borrowed more money than can be repaid in two generations and some of it is coming to Mississippi, where education makes up almost two-thirds of our general fund expenses. Surely we all can agree these dollars must be put to the most effective use as we meet current needs and brace for the fiscal challenges that lie ahead.

My proposal, working in concert with my complete executive budget recommendation, adequately funds education and other state agencies in FY 2010 and saves money for Fiscal Years 2011 and 2012, when these dollars will be needed most.

Sincerely,

Haley Barbour